



# Child Care in California

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CCRC cultivates child, family and community well-being.



# California's Child Care Rates

California is currently paying a the 85<sup>th</sup> Percentile of the 2018 Survey

The Market which was surveyed no longer exists

Providers are struggling to keep up with costs

Immediate relief is needed to stabilize child care supply in all settings

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# The Perfect Storm

## Child Care Survived the Pandemic on One Time Funds

*These one-time funds were used as a short-term support for a vital industry:*

- 100% of programs used temporary funds for **PPE or enhanced sanitization** efforts such as purchasing air purifiers, outside equipment so children could learn and play outdoors, and classroom materials and furnishings that facilitate social distancing.
- 85% of programs used one-time funds for **payroll and sta retention** activities, including salary increases (most were temporary; others due to increases in minimum wage) and one-time bonuses.
- 57% of programs used one-time funds to help pay their **mortgage or rent, bills, and increased utilities.**



# Staffing Exodus Threatens Longevity of Programs

*“This is the first-time staff have left for better pay. Some leave for other programs in the school district, but many leave the field entirely because, in the long run, this industry does not pay a livable wage”*

Jennifer Carter  
CEO of Oak Tree Learning Center  
San Bernardino, California

- 88% of programs described staff leaving the field for better wages and benefits
- Programs reported a range of 20-52% decline in staffing with one program closing an entire location due to a lack of staff
- Reasons cited for staff exit:
  - Low Compensation
  - Lack of fully Paid Benefits
  - Increasing mental health challenges for self and children served
  - Increasing difficult behaviors and delayed Development in the children served.



# Child Care Can't Keep up with Costs

**Child Care providers rates in California are based on a Market Survey conducted in 2018. Since 2018, the Market has changed significantly making these rates inadequate for providers to operate.**

Market Item	2018 Cost	2022 Cost	% Change
 <b>Minimum Wage (Staffing Costs)</b>	\$11.00	\$15.00	<b>27%</b> Increase 
 <b>Gas (Transportation Costs)</b>	\$3.62	\$6.02	<b>60%</b> Increase 
 <b>Milk</b>	\$2.69	\$3.69	<b>28%</b> Increase 
 <b>Baby Formula (Price per Ounce)</b>	\$0.32	\$0.54	<b>41%</b> Increase 
 <b>Baby Wipes (Price per Wipe)</b>	\$0.04	\$0.05	<b>20%</b> Increase 

